

## **Special Session 7.5 Understanding Customer Co-Creation**

### **Session Chairs:**

Aric Rindfleisch, University of Wisconsin-Madison

Matthew S. O'Hern, University of Wisconsin-Madison

### **The Emerging Logic of Customer Co-Creation**

Aric Rindfleisch, University of Wisconsin-Madison

Matthew S. O'Hern, University of Wisconsin-Madison

### **Creative Consumption: Strategic Stances to Creative Consumers**

Pierre Berthon, Bentley College

Leyland Pitt, Simon Fraser University

### **Open Source Software: A Co-Creation Perspective**

Sandeep Krishnamurthy, University of Washington, Bothell

### Session Summary Writer:

*Nancy J. Sirianni, Arizona State University*

Customer co-creation is an emerging area in marketing, and is gaining much interest in the academic community, as evidenced in this well-attended special session. Aric Rindfleisch and Matt O'Hern from the University of Wisconsin-Madison kicked off the discussion, describing the emerging logic of co-creation in new product development, which occurs when customers actively engage in the design and development of a new product or services offering. The researchers presented a typology of four distinct types of co-creation and linked the growth of co-creation to societal and technological factors which increase in customer empowerment and customer connectivity, and can be categorized based on different levels of those factors. Theoretical implications of customer co-production in new product development include the potential for firms to increase customer value and enhance their corporate resources and capabilities, as customers are a new, often untapped, source of competence.

Next, Sandeep Krishnamurthy, from the University of Washington-Bothell, described how we might think of co-creation in the open source software world where users are allowed access to the source code in addition to executable files making them truly free to incorporate the company's base code in their creative, new innovations. Open sourcing gives substantial benefits to the user, beyond the ability to customize the product, including helping the user understand the programming logic and also the ability to share their changes, because there is no concept of piracy in open-source coding. Additionally, different types of co-creation within the open source context were provided. The implications of open sourcing beyond software coding were also discussed, including the ideas of open sourcing for textbooks and recipes that currently exists on the internet.

Finally, Pierre Berthon and Leyland Pitt were unable to attend the conference due to unforeseen circumstances, so their paper was presented by Aric Rindfleisch. Their

presentation argues that creative consumers represent an intriguing paradox for business: on one hand, creative customers can signify a black hole for future revenue, with breach of copyright and intellectual property; while on the other hand; they represent a gold mine of ideas and business opportunities. Berthon and Pitt argue that creative consumers demand a radical shift in the managers' mindsets and business models, and go on to outline a model and strategies for firms to interact with this important consumer phenomenon.